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SPECIAL REPORT

BRITAIN AND ITS DEPENDENCIES IN THE WESTERN HEMISPHERE

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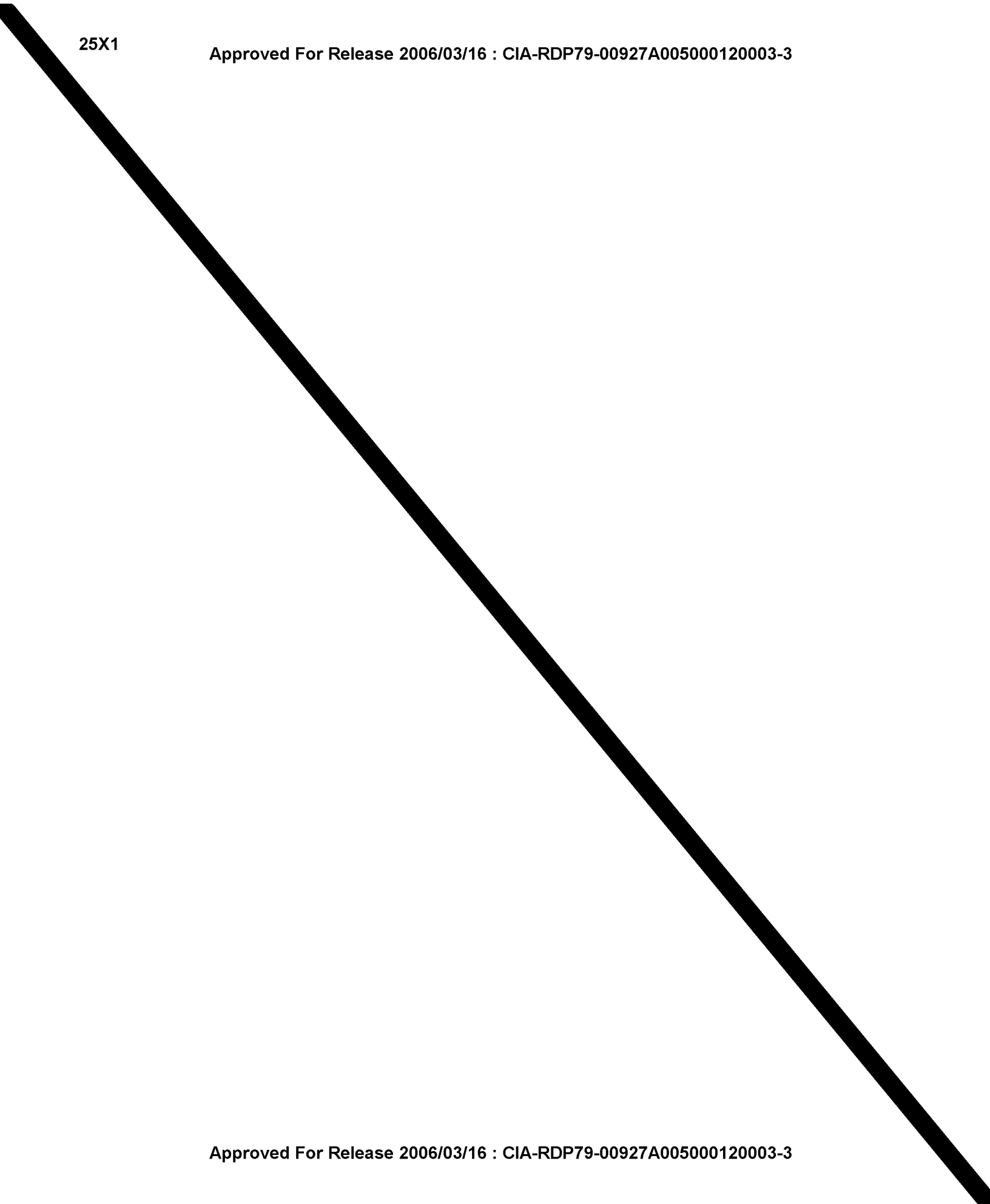

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BRITAIN AND ITS DEPENDENCIES IN THE WESTERN HEMISPHERE

The UK is currently moving ahead in two of its American dependencies- British Guiana and the West Indies--to end or reduce its colonial responsibilities wherelittle is at stake for British trade or foreign policy. In constitutional talks beginning on 2 November in London, the Wilson government will try to clear the way for full independence for British Guiana. UK officials also are holding discussions with the leaders of the small islands of the Windward and Leeward chains, in an attempt to push them at least a step toward independence by linking them in an "associated status" with the UK. Barbados is pressing for complete independence for itself.

Even if it becomes an independent political entity, British Guiana will be dependent on outside economic help for some time. The West Indies islands are likely to be even more dependent economically unless they unite politically, which their leaders will not agree to do. Thus, despite its current efforts, the UK will probably be unable to free itself of responsibilities for assuring political and economic stability in this area for some time to come.

Guiana Constitutional Talks

British Guiana has been a political headache and a drain on UK economic and military resources for many years. The British are therefore anxious to have the London conference set a date in 1966 for the colony's independence. The conference will try to lay the foundation for stability in the new country--to be called "Guyana." The absence of an adequate native security force and the lack of economic viability, however, will make it dependent on outside assistance--British or American--for many years to come.

Political leaders in British Guiana are far from united in their views of what the arrangements for independence should be. As a result of the deep and bitter animosities between the East Indian half of the population and the 44 percent who are wholly or partially Negro, political forces have split along racial lines and the colony has had a history of strife and disorder. Although the ten-month-old coalition government of Premier Linden Forbes Sampson Burnham, a Negro with socialist views, and Peter D'Aguiar, a wealthy conservative of Portuguese ancestry, has managed to provide relative stability, the East

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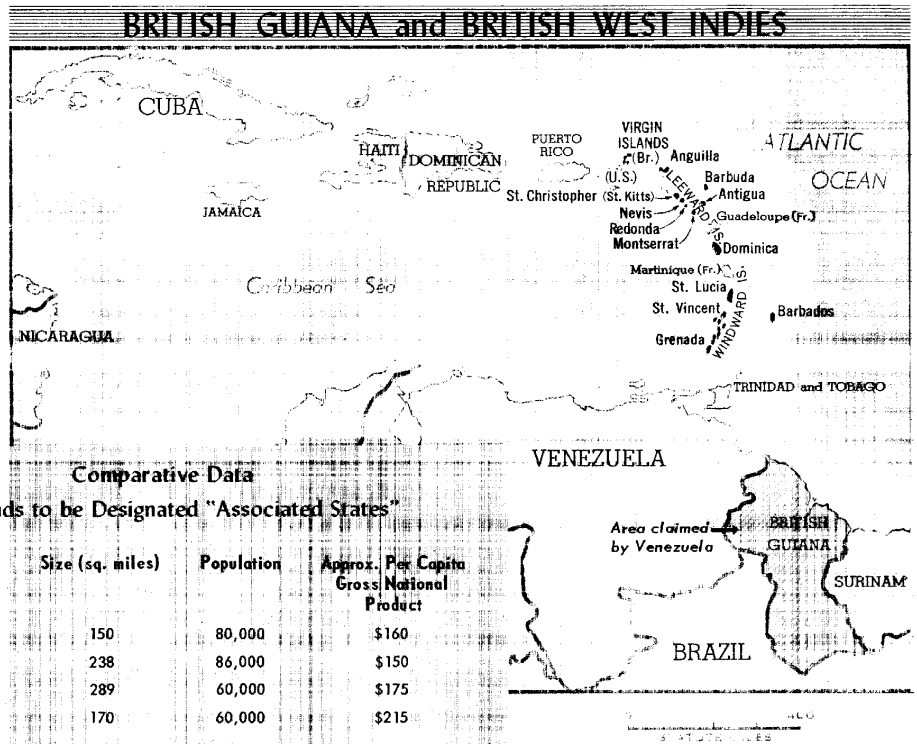

Comparative Data
on Islands to be Designated "Associated States"

Territory	Size (sq. miles)	Population	Approx. Per Capita Gross National Product
St. Vincent	150	80,000	$160
St. Lucia	238	86,000	$150
Dominica	289	60,000	$175
Antigua, Barbuda, and Redonda	170	60,000	$215
St. Christopher (St. Kitts), Nevis, and Anguilla	138	59,000	$195
Grenada	133	89,000	$150

NOTE: British Guiana and Barbados are heading for independence.
Montserrat will remain in its present status.

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Indians, led by pro-Communist ex-Premier Cheddi Jagan, could bring this to an end at any time. The East Indians fear that they would be persecuted in an independent "Guyana" governed mainly by Negroes. Jagan's People's Progressive Party (PPP) has threatened violence to make conditions so unstable as to deter the British from granting independence while the present government is in power.

Burnham and his People's National Congress (PNC) will demand immediate independence at the constitutional conference. Not the least of Burnham's reasons for doing so is his reported belief that once free from British restraint, he will be able to use tougher measures to keep the PPP under control and to prevent it from regaining power. Burnham's confidence that he can handle the problems of independence may rest somewhat on an assumption that since he is anti-Communist, the British or the Americans will bail him out if he encounters any serious threat to his regime.

The PPP, if it drops its present threat to boycott the conference, will make every effort there to ensure that the present government is not in power on independence day. It will, therefore, demand that new elections be held before independence is granted. The party will also seek a change in the voting age from 21 to 18 and will ask that proportional representation be abandoned for a simple majority system, which would favor the numerically superior East Indians. The party can seek to delay independence by demanding that a host of conditions--such as correction of racial imbalance in the security forces, removal of foreign troops and military bases, "democratization" of institutions dealing with law and order, and an end to the state of emergency--be met before it will agree to an independence date. If these conditions are not met, the PPP might walk out of the conference and thus set the stage for acts of violence which it would rationalize as necessary to prevent independence from being granted under "unjust" conditions set up by the conference. It is also possible that the PPP will bide its time, wait for the postindependence departure of British troops, and then attempt to overthrow the government by force.

The United Force (UF), the minority party in the coalition government, may also have some proposals to push at the conference. Its leader, Peter D' Aguiar, distrusts Burnham's motives. The two men have had a fairly stormy relationship since achieving power. This has been due to both political and personality differences and has resulted on at least one occasion in D'Aguiar's nearly resigning. Therefore, at the conference the UF may seek a constitutional provision ensuring that if one party of a coalition government resigns, the remaining party must also resign and a new election be held. He may also seek to have procedures for consultation specified in the new constitution. To ensure that Burnham does not attempt to rig

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the next election so that his party "wins" a majority, D'Aguiar might suggest that it be supervised and guaranteed by foreign powers.

Every effort will be made to convince Burnham that he needs the UF to maintain his government, but it is highly unlikely that he or the British will agree either to foreign electoral supervision or to the proposition that a government must resign if it loses one of its coalition members.

Economic Problems

In addition to political quarrels and racial problems British Guiana is also troubled by poor economic conditions. Unemployment has reached 18 percent and GNP has declined relative to population growth. Although the present government has been able to attract some foreign investment, the economy still depends to a large extent on the relatively unfavorable rice and sugar markets. Even if political independence is achieved, "Guyana" will need sizable amounts of foreign development aid if it is to survive. For this reason Finance Minister D'Aguiar wants the country to keep as many ties with the United Kingdom as possible, including retention of the Queen as its constitutional monarch.

Although Premier Burnham realizes the economic advantages of Commonwealth membership, he would prefer for prestige reasons to establish "Guyana" as a republic from the outset. However, in the interest of presenting a common position on this at the conference, the two men have reportedly agreed to ask that "Guyana" become a constitutional monarchy with a governor general for at least the first three and one-half years of nationhood. Change to a republic could thereafter be accomplished by an act of the assembly, but only after the next national election. This would have to be held no later than three years after independence or five years after the last general election, whichever came earlier.

Outlook for Independent "Guyana"

It now appears that if the PPP goes to London it may walk out of the constitutional conference after a few sessions, return to British Guiana, and institute a trial campaign of violence in order to delay independence. So strong is the desire of the British to divest themselves of their colonial responsibility that they will probably agree to set an independence date at the conference and will assure Burnham of military support to put down any PPP-inspired violence.

As long as British troops remain in the colony they should be able to quell any foreseeable violence but after independence, when the British depart, the government's 1,700-man present security force would not be equal to the task. If large-scale violence should commence, then the government would have to ask for help from the British or the US --or possibly from the OAS, if

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the new country should join that organization.

A call for help would also come if serious trouble developed over the claim Venezuela has been pressing to the western two thirds of British Guiana's territory. The possibility of Venezuelan aggression appears remote, but the territorial dispute--which stems from an 1899 arbitration award--has become more heated recently because of the growing interest of several oil companies in the disputed region. It promises to be the Guianese Government's thorniest foreign relations problem.

The West Indies

The political future of the Leeward and Windward Islands has been uncertain since the dissolution of the former Federation of the West Indies on 31 May 1962, when Jamaica and Trinidad decided to become independent on their own. In addition to Jamaica and Trinidad, the federation had been composed of the crown colonies of Barbados, Grenada, St. Vincent, St. Lucia, Dominica, Montserrat, St. Christopher-Nevis-Anguilla, and Antigua, plus some smaller islands.

Since 1962 various attempts have been made to form a new Caribbean federation. In its earlier stages the plan was to set up a strong central government with its capital in Barbados, and with certain associations among the units--i.e., customs unity, and shared services and revenue--which would make the islands economically more viable and less vulnerable to outside political influences.

British policy was based on the belief that unless a federation was formed soon, Barbados and possibly Antigua would opt for independence on their own. The British intended to grant the federation independence, once a strong central government was established in Barbados, its natural economic and political leader. However, political leaders were unwilling to give up any important political and financial powers to a central government or to undertake the increased costs of supporting one. Furthermore, Barbados Premier Barrow was reluctant to agree to any arrangement requiring his island to contribute to the economy of the others. Barrow also feared that Barbados' high unemployment would be aggravated by an influx of unemployed from the other islands. Such objections prevented progress along this line.

Economic Background

With the exception of Barbados, and possibly Antigua, none of the island dependencies is self-supporting economically and none has any prospect of becoming so in the foreseeable future. Tourism, a potentially important industry, has so far been developed extensively only in Barbados and Antigua. The islands are over-populated, and there are limited opportunities for either employment or emigration.

Although such an economic setting is conducive to exploitation

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by subversive elements, there has thus far been little of this in the islands. The potential is there, however, and trade unions and youth groups are especially susceptible. In Antigua the British administrator has expressed concern that unemployment in the sugar industry might provoke unrest. In Dominica a leftist-oriented leader has been trying to organize the trade unions into a political force. Jack Kelshall, a confidant and former private secretary to Cheddi Jagan, was expelled from Grenada in late 1964 for undesirable political activities.

Although it has been the stated public policy of the UK to remove this area from colonial status, Britain has never given the islands any firm commitment as to what assistance, beyond the $7.5 million in grants-in-aid and developmental assistance now provided them annually, it would be willing to give in the future to assure economic viability if they did get together. A study carried out at the request of the Colonial Office in 1963 estimated that the federation could become economically viable by 1973, if budgetary support in the amount of $180 million were provided during the intervening decade. Since its publication in 1963, the report has come to be regarded in the islands as a major standard by which the future economic prospects are to be judged, most specifically the adequacy of UK or other economic assistance following independence.

In April 1965, the UK announced that it was setting up a unit of the Ministry of Overseas Development in the Caribbean to advise the UK on the technical and economic aspects of its aid program to the dependent areas. The announcement coincided with a conference of island leaders, and was perhaps designed to encourage them to think that expanded aid would be forthcoming if they reconciled their differences on the British draft proposals for an Eastern Caribbean federation. If this was the intention it was not successful and the conference dissolved in bitter discord.

The British have been reticent about committing themselves to large-scale expenditures in the Caribbean for an indefinite time and have attempted to involve the US, and particularly Canada, by pushing for a tripartite economic survey of the Eastern Caribbean. The purpose of the study--which is scheduled to commence in January 1966--is to formulate plans for achievement of economic viability and technical development and to suggest priorities for the next five years. The study will pay particular attention to available resources, the likely scale of private investment both local and from abroad, and possibilities for further economic cooperation among the islands.

Recent Efforts

During his visit to the Caribbean territories in February

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1965, UK Colonial Secretary Anthony Greenwood reiterated the need for a strong central government and appealed for the reconciliation of differences between the islands preparatory to a conference to be scheduled for the summer of 1965 to draw up a federal constitution and arrange for subsequent independence.

Greenwood's appeal fell on deaf ears. The chief minister of Antigua, who had long-standing reservations about the proposed constitution, refused to attend the April meeting of island leaders which was to prepare for the conference. The government of St. Lucia agreed to attend but indicated it would favor a strong central government only if it were centered in St. Lucia and if the formation resulted in clear economic benefits to St. Lucia. Because the feud between St. Lucia and Barbados brought the preparatory meeting to a near fiasco, plans for a constitutional conference in the summer were abandoned.

Premier Barrow, who for three years has publicly stated that he will seek independence either with or without a federation, issued a white paper in August stating his government's intention to press ahead with plans for independence. In mid-October he presented a resolution in the Barbadian House of Assembly calling for independence in 1966. Barrow is confident that despite evidence of opposition to his plans for independence alone, the resolution will be passed. Barrow privately told a US Consulate official that while he was a federationist at heart, he was convinced federation was a nonstarter for the foreseeable future.

Present British Position

The British, faced with the collapse of their plans for a federation, have considered and rejected separate independence for each island--because of the economic dependence of the islands on Britain. Instead they have fastened on independence for Barbados and a continuation in modified dependency status for the other islands. Antigua, Monserrat, and St. Lucia would remain tied to the UK despite the feelers they have put out to various Canadian officials concerning the possibility of becoming associated in some way with Canada after achieving economic and political independence.

The new British position arises from the pressure from Barbados for independence, as well as from the anticolonialist urgings of the newly independent African and Asian nations, and from the United Nations and its special Committee of 24. The UK is seeking arrangements which will ensure responsible behavior by the territories and still appear to end the colonial relationship. Accordingly, Greenwood is now visiting the islands, to see if they will agree to London's proposal that they become "states in association with Britain."

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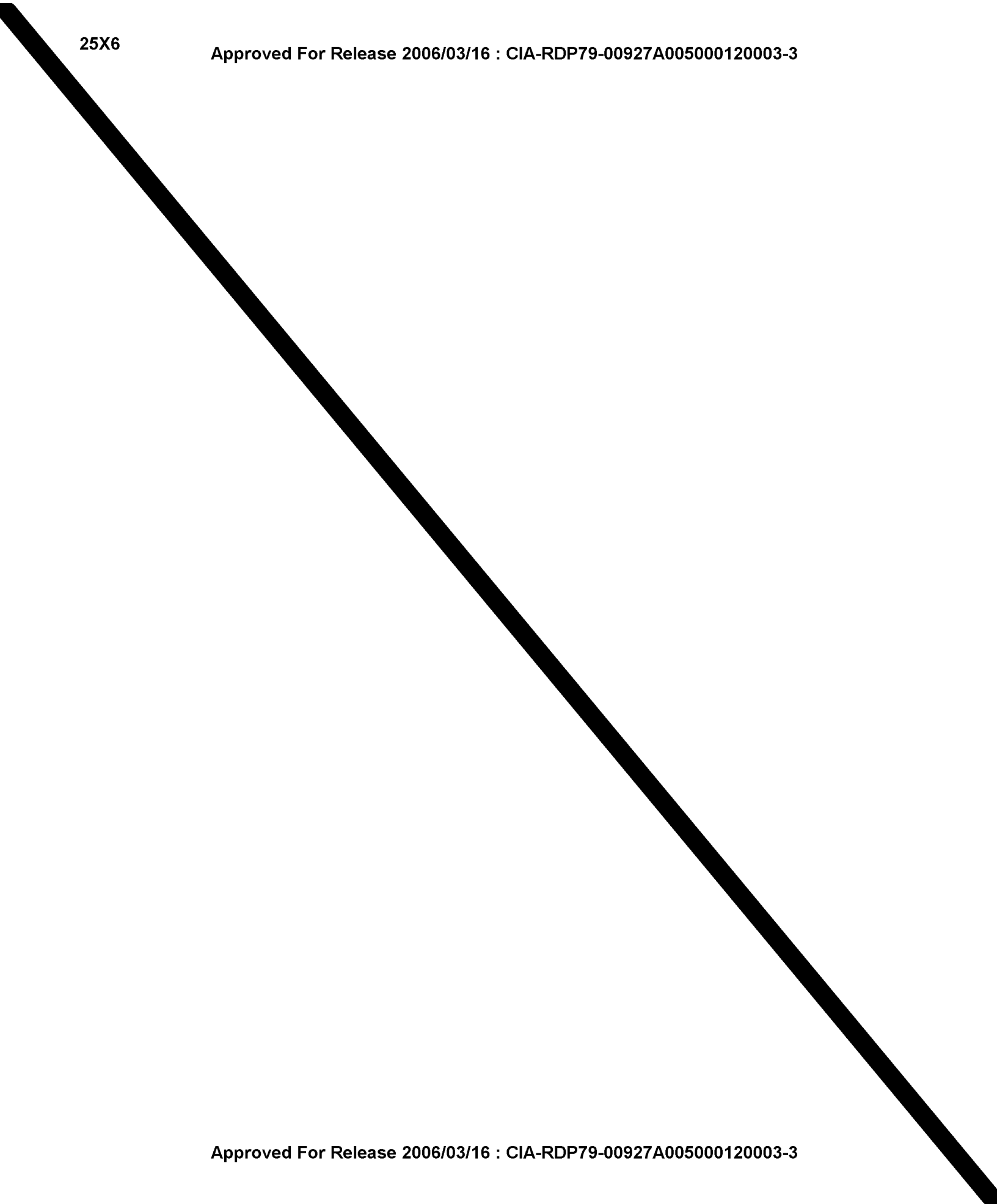

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